

Daniele Caratelli

PERSONAL DETAILS

Department of Economics
Stanford University
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EDUCATION

Ph.D. in Economics, Stanford University June 2023 (Expected)
B.A. in Economics and Mathematics (Honors), University of Chicago 2011 – 2015

REFERENCES

[Patrick Kehoe](#) (Primary)
Dept. of Economics, Stanford University
pkehoe@stanford.edu

[Adrien Auclert](#)
Dept. of Economics, Stanford University
aauclet@stanford.edu

[Robert Hall](#)
Dept. of Economics, Stanford University
rehall@stanford.edu

[Elena Pastorino](#)
Hoover Institution, Stanford University
epastori@stanford.edu

RESEARCH FIELDS

Macroeconomics, Monetary Economics

WORKING PAPERS

[“Labor Market Recoveries Across the Wealth Distribution”](#)

Job Market Paper

This paper studies why, in the aftermath of recessions, low-wealth workers experience larger falls and slower recoveries in earnings than high-wealth workers. I show that differences in job-switching and job-losing rates play an important role in explaining these earnings dynamics. I build a quantitative macro model of the labor market that includes a novel ingredient, which I document and quantify empirically: when workers switch to new jobs they suffer a 6.4 percentage point increase in their job-loss probability over the first fifteen months at the new job. Through this model I conclude that cyclical differences in job-switching and job-losing by wealth, which the model can endogenously reproduce, explain 40 percent of the gap in earnings between low- and high-wealth workers following the Great Recession. Furthermore, the model is consistent with the sudden increase in job-switching that the US labor market experienced following the Pandemic recession, suggesting that generous government stimulus played a sizable role in the recovery.

[“Optimal Monetary Policy with Menu Costs is Nominal Wage Targeting”](#) with Basil Halperin

We show analytically that ensuring stable nominal wage growth is optimal monetary policy in a multisector economy with menu costs. This nominal wage targeting contrasts with inflation targeting, the optimal policy prescribed by the textbook New Keynesian model in which firms are permitted to adjust their prices only randomly and exogenously. The intuition is that stabilizing nominal wages minimizes the number of firms which need to adjust their prices, and therefore minimizes the resources wasted on menu costs. We show that the analytical result that nominal wage targeting is superior to inflation targeting carries over in a rich quantitative model.

WORK IN PROGRESS

“Heterogeneous Currency Union: MPCs and Tradable Shares ” with Riccardo Masolo

PUBLISHED PAPERS

[“Macroeconomic Nowcasting and Forecasting with Big Data”](#) with Brandyn Bok, Domenico Giannone, Argia Sbordone, and Andrea Tambalotti Jackson, *Annual Review of Economics*, Vol. 10:615-643, 2018

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|------------------------|--|-------------------|
| RELEVANT POSITIONS | Bank of England | 2020 – 2022 |
| | Academic Visitor | |
| | Stanford University | 2021 |
| | Research Assistant to Patrick Kehoe and Elena Pastorino | |
| | Bank of England | Summer 2020 |
| | Ph.D. Intern | |
| | Stanford University | 2018-2020 |
| | Research Assistant to Adrien Auclert | |
| | Federal Reserve Bank of New York | 2015-2017 |
| | Research Analyst, Macro and Monetary Division | |
| TEACHING EXPERIENCE | Department of Economics, Stanford University | |
| | TA for Luigi Bocola, Econ 168 (International Finance) | Spring 2021 |
| | TA for Scott McKeon, Econ 102A (Introduction to Statistical Methods) | Fall, Winter 2020 |
| AWARDS & FELLOWSHIPS | UniCredit Foundation Prize for Best Job Market Paper | 2022 |
| | E.S. Shaw and B.F. Haley Fellowship for Economics, SIEPR | 2022 – 2023 |
| | Dissertation Fellowship, Federal Reserve Bank of St. Louis | Summer 2021 |
| | Doctoral Grant, Washington Center for Equitable Growth | 2021 |
| | David S. Hu Award, The University of Chicago | 2015 |
| | Becker Friedman Institute Award for Academic Achievement, The University of Chicago | 2015 |
| REFEREING | <i>Journal of Business & Economic Statistics; International Journal of Forecasting</i> | |
| INVITED TALKS | “Labor, Firms, and Macro” Job Market Workshop (University of Pennsylvania) | 2022 |
| EXTERNAL PRESENTATIONS | St. Louis Fed, Dartmouth College, Bank of England | 2021 |
| PRE-ACADEMIC WORK | “Opening the Toolbox: The Nowcasting Code on GitHub” , <i>Liberty Street Economics</i> | |
| | “Just Released: Introducing the New York Fed Staff Nowcast” , <i>Liberty Street Economics</i> | |
| OTHER | Programming: Julia, Python, Matlab, and Stata | |
| | Languages: Italian (native) and English (native) | |
| | Citizenship: USA, Italy | |